

**PROCEEDINGS OF THE BOARD OF COMMISSIONERS
COUNTY OF JEFFERSON, STATE OF MONTANA
MAY 15, 2007**

Present: Commissioners – Ken Weber and Chuck Notbohm; Barbara Miller, Harold Stepper, Dick and Linda Norden, Judy Saarinen, Ernie Kenison and Bonnie Ramey.
Absent: Commissioner, Tom Lythgoe

Minutes

Due to the illness of Secretary, Helen Auch, no minutes were presented for approval.

Commission Reports

Ken Weber reported on the meeting in Butte regarding Beaverhead-DeerLodge National Forest. There was discussion on whether to craft their own wilderness bill or hire a facilitator to sit down with the partnership group, which consists of 4 representatives in the timber industry, 4 environmental conservation representatives and others, to see if a consensus can be reached.

Ken attended the library board meeting and an event for the mental health center.
Ken has finished the leadership plenty course.

Fire District Trustee Appointments

No names were submitted for appointment by the fire districts. This item will be put on next week's agenda.

Public Hearing on Forest Reserve Title III Funds

The Commission moved this hearing to next week to give them time to research the permitted uses of these dollars.

Resolution 12-2007 Intent to Create Saddle Mountain RMD/RID

Hearing no public comments Commissioner Notbohm moved to approve Resolution 12-2007. Commissioner Weber seconded the motion, which passed unanimously. The Commission will decide on the formation of the RMD/RID after the 30 day protest period at the Commission meeting on July 3, 2007. See attached.

Administrative Fee for Destiny Hills RID

A letter was received from Jeff Forbes, President of the Destiny Hills Homeowner's Association, regarding the administrative fee charged by the county each year. The Association has requested the fee be lowered to 2%. Commissioner Notbohm moved to rescind the vote taken on May 8, 2007, lowering the fee from 10% to 5%. Commissioner Weber seconded the motion, which passed unanimously. Commissioner Notbohm moved to lower the administrative fee to 2%. Commissioner Weber seconded the motion, which passed unanimously.

CREBS –Community Renewable Energy Bonds

Commissioner Weber explained that re-manufactured turbines are used to lower cost of infrastructure. Golden Sunlight may be interested in helping Jefferson County pursue this. The data has been collected for private companies. This could be used to offset electrical costs for county offices and then the county would sell the wind energy to commercial development.

Ernie Kenison stated that he strongly supports this. He commended the Commission for pursuing the options and suggested the Commission might work hand in hand with AERO.

Commissioner Weber moved to enter into a contract with Matney-Frantz as relates to Community Renewable Energy Bonds. Commissioner Notbohm seconded the motion which passed unanimously.

Boulder Housing Project

A letter was given to the Board by Barbara Miller, Executive Director of National Affordable Housing Network, requesting short-term financing for affordable housing development in Boulder. They are requesting \$30,000.00. The balance of the financing has been achieved through First Boulder Valley Bank.

Eight families in Boulder qualify for housing. Five families have been pre-approved for loans. They have ten families left to interview. The community has strongly supported the project.

Commissioner Weber noted that last year the Board recognized housing as a large part of community development and has asked JLDC to give this a high priority. _

Commissioner Weber moved to give a \$30,000.00 12 month loan to National Affordable Housing Network upon completion of loan contract and promissory note. Commissioner Notbohm seconded the motion, which passed unanimously.

Commissioner Notbohm moved to set the interest rate for the loan at 1%. Commissioner Weber seconded the motion which passed unanimously.

Dick and Linda Norden thanked the Commission for working with everyone on this project.

Audit Exit Conference

Bob Denning, of Denning, Downey and Associates, met with the Commission to discuss the audit for fiscal year 2005-2006. The county was given an unqualified opinion, which is the highest opinion they can give. Mr. Denning's firm audits 97 local government entities and only 5 do their own financial reports. This saves the county \$4000.00 a year. Bob discussed the upcoming GASB statements and new auditing standards which will have an affect on the county financially.

A letter was sent to Department of Administration by the Clancy Unionville Coalition asking them to look into the legality of the expenditures from the Hard Rock Mine Trust Fund. The letter was forwarded to the auditors requesting them to review the matter. Bob requested the Clerk and Recorder to give a detail transactional report to the County Attorney for review. The county attorney will then send the auditors a letter stating whether the expenditures met the criteria of the law.

The county received 3 audit comments:

1. County Treasurer office:
 - a. All wire transfers should have 2 signatures.
 - b. Cash and checks should be balanced separately
2. Clerk and Recorder's office:
 - a. The county software does not require 2 passwords to print signatures on warrants.
3. Commission office:
 - a. The county did not complete the management's discussion and analysis for the financial report in compliance with GASB 34.

After some discussion regarding the information which needs to be included in the MD&A, Commissioner Notbohm moved to require **Commissioner Lythgoe to complete the MD&A for FY 2007**. Commissioner Weber seconded the motion, which passed unanimously.

The meeting was adjourned at 4:30 p.m.

Attest: _____
Clerk and Recorder

Ken Weber, Chairman

Chuck Notbohm

Tom Lythgoe